

## Section M– EVALUATION CRITERIA FOR AWARD

**EVALUATION FACTORS FOR AWARD****M.1. FAR 52.217-5 EVALUATION OF OPTIONS (JUL 1990)**

Except when it is determined in accordance with FAR 17.206(b) not to be in the Government's best interests, the Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).

(End of Provision)

**M.2. BASIS OF AWARD**

Tradeoff Source Selection Process will be used in evaluating offers. Selection will be made on the basis of whose offer or tender contains the combination of criteria offering the best overall value to the Government. This will be determined by comparing differences in the value of the technical features with differences in the offerors' prices. In making this comparison, the Government is concerned with striking the most advantageous balance between technical features and price to the Government.

Only one award will be made as a result of this solicitation. Technical proposals with features that are considered to be more stringent than that the Government requirements will be incorporated in the resultant contract.

**M.3. EVALUATION CRITERIA**

There is a functional relationship between Sections L and M of this solicitation. Section L, paragraph L.11 provides information, guidance and outline to assist the offeror with the preparation and submission of proposal. This is not intended to be all-inclusive. Section M describes evaluation factors for award. Since the Government evaluation of proposals will cover all areas identified in Sections L and M, the proposal shall address all areas of these sections.

Offerors should include any relevant information in the offeror's current operations in the field of providing facilities operations and maintenance of building equipment and may propose alternate performance standards that differ from this solicitation's performance standards. The offeror's proposal will be evaluated on a combination of pass or fail and adjectival rating.

For pass fail rated items each offeror will be rated as acceptable or unacceptable. An offeror must receive a passing score for their proposal to receive further consideration. Failure to receive a passing score for any of the below listed factors will result in rejection of an offeror's proposal notwithstanding passing scores for other evaluation factors. Factor acceptability will be determined by evaluating each responsive proposal and comparing the results of that evaluation against the requirements specified in this solicitation. The below listed evaluation factor will not be included in the price technical tradeoff.

**1. Past Performance**

The following criteria will serve as the evaluation basis for the best value cost/price tradeoff: (See Section L, paragraph L.11.3.2 and L.11.3.3 for details on these evaluation factors)

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- (1) Technical Approach
  - Management Approach
  - Staffing

Technical Approach is more important than Management Approach or Staffing. Management Approach is slightly less important than Technical Approach. Staffing is significantly less important than Technical Approach and Management Approach.

All Technical Approach sub factors are equal in weight.

For Management Approach Factor, the Management Plan is slightly more important than the Quality Control Plan. The Management Plan and Quality Control Plan are more important than the Phase in Plan and Contingency Plan. The Phase-in Plan and Contingency Plan are more important than the Small and Disadvantaged Business Subcontracting Participation factor.

For the Staff Factor, the Personnel Scheduling Factor is more important than the Staffing Plan. The Staffing Plan is more important than the Personnel recruitment.

- (2) Price

The specific weight given to cost or price is equal to all other non-price evaluation factors combined.

#### **M.4. PAST PERFORMANCE EVALUATION FACTOR**

##### **Past Performance**

(a) The Source Selection Evaluation Board (SSEB) will conduct a past performance review of each offeror through an integrated analysis of those risks and strengths the SSEB identifies in the offeror's recent and relevant contract performance (see Section L, paragraph L.11.3.2). Only past performance determined to be recent (within the last five (5) years from the date of solicitation issuance) will be considered.

(b) The Government will evaluate the quality of the Service Provider's present and past performance. This evaluation is separate and distinct from the Contracting Officer's responsibility determination. The assessment of the Service Provider's present and past performance will be used to evaluate the relative capability of the Service Provider and other competitors to successfully meet the requirements of the RFP. Present and past performance of significant and/or critical subcontractors will be considered to the extent warranted by the subcontractor's involvement in the proposed effort.

(c) The Government reserves the right to obtain information for use in the evaluation of present and past performance from any and all sources including sources outside of the Government. In reviewing and evaluating an offeror's past performance, the Government will consider information obtained from the offeror: from other sources, including past and present customers and their former employees; past and present subcontractors and their former employees; current and former employees of the offeror: Federal, State and local government agencies (including court records); and private consumer protection organizations.

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(d) The Government will review and evaluate information about each offeror's past performance and will rate offerors as pass or fail based on their documented past performance. Based on the offeror's past performance record, if the Government determines that significant doubt exists that the offeror will successfully and satisfactorily perform the required effort, the offeror will be deemed unacceptable for the past performance criteria. By acceptable past performance, the Government means the offeror's reputation for satisfying its customers by delivering quality work in a timely manner at a reasonable cost in accordance with the standards contained in Section L 11.3.2. Past performance also includes the offeror's reputation for integrity, reasonable and cooperative conduct, and commitment to customer satisfaction. The Government will evaluate this information and will rate offeror's pass or fail. Note that the unavailability of past performance records or information (due to nonexistence of past performance records or information) can not result in a failure of this factor, but will result in a neutral rating of this factor. Evidence that an offeror has poor past performance in any area will result in failure of the entire element, subject to the requirements of FAR 15.306(b) (1) (i) if discussions are conducted.

### **M.5. TECHNICAL EVALUATION FACTORS**

The primary technical factors for Mission Capability are listed below.

#### **Factor 1 - Technical Approach**

This factor and sub-factors evaluate the Service Provider's approaches and processes to perform the services to achieve the required outcomes as described in the RFP.

**Sub-Factor 1: Building Operations Plan** - Evaluation of the overall understanding and approach will be based on the extent to which the SP understands this part of the requirement in the PWS. Evaluation will include an assessment, in accordance with requirements of Section L paragraph L.11.3.2 (3), of the Building Operation Plans, water treatment procedures, and environmental procedures that reduce or eliminate waste by reuse, reclaim or recycling and the management and disposal of hazardous material.

**Sub-Factor 2: Service Calls** - This section will be evaluated based on the extent to which the offeror demonstrates an understanding and provides the procedures and methodology that would be used to accomplish the various types of service calls cited within the RFP.

**Sub-Factor 3: Preventive Maintenance (PM) and Certification** - This section will be evaluated based on the extent to which the offeror demonstrates the ability to maintain all building equipment and systems in accordance with the standards outlined in the RFP.

**Sub-Factor 4: Additional Services.** - This section will be evaluated based on the extent to which the offeror demonstrates the ability to respond to, manage, and staff project support work IDIQ task orders.

#### **Factor 2 Management Approach**

This factor and sub-factors evaluate the Service Provider's capability to manage its resources to successfully complete the services to achieve the required outcomes as described in the RFP.

**Sub-Factor 1: Management Plan** - This section will be evaluated based on the extent to which the offeror demonstrates the ability to control, coordinate and direct its' resources (in house and

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subcontractor) to fulfill the performance requirements as called out in the Section C PWS. The evaluation will be based (but not limited to) an assessment of the Management Plan sub factor elements (a) through (l) listed in Provision L.11.3.2 Section 2 Sub factor 1.

**Sub-Factor 2: Quality Control Plan (QCP)** - The QCP will be evaluated relative to the degree in which the SP can demonstrate its methodologies for ensuring sustained quality improvement. The SP shall submit a WCP for measuring and attaining quality of performance under this contract. The QCP shall explain the manner in which the SP shall ensure all contract requirements are being accomplished in accordance with the contract. The standard is met if the SP's approach for quality control is sound, comprehensive, and reflects an understanding of the RFP.

**Sub-Factor 3: Phase-In Plan** - This sub factor evaluates the SP's proposal for a sound phase-in plan.

**Sub-Factor 4: Contingency Plan.**- The Contingency plan will be evaluated to determine the extent of the SP's will mitigate the planned and unplanned events and situations described in the RFP. The Agency tender will not be evaluated on the strike plan element of the contingency plan.

**Sub-Factor 5: Small and Disadvantaged Business Subcontracting Participation Factor**  
Large businesses shall provide a small business-subcontracting plan with the hard copy of the cost and price proposal and representation and certifications. The purpose of the subcontracting evaluation is to determine whether the SP will assist the IRS in meeting its small business subcontracting goals and whether the proposed subcontracted items and services are realistic and reasonable. Failure to realistically propose subcontracting efforts that meet the goals stated below may be grounds for eliminating a proposal from competition

Should a small business propose on this acquisition, the factor would receive a rating of "Not Applicable" for the Subcontracting Plan. The Subcontracting Plan shall provide a clear, detailed, logical and realistic approach to meet or exceed the IRS small business subcontracting percentage goals described below.

Note: This requirement is not applicable to the agency tender. This sub factor shall not be used in the tradeoff analysis for the public/private performance decision.

**Sub-Factor 5 Element 1. Small and Disadvantaged Business Subcontracting Plan**

The Offeror's Small and Disadvantaged Plan submitted in response to this RFP will be evaluated for aggressive goals for small, HUBZone small, small disadvantaged, women-owned small, and veteran-owned small business concerns for the basic contract period and all option years. The evaluation will include a review of the Offeror's 2003 SF 294 and SF 295 subcontract reports. Aggressive is defined as meeting or exceeding the IRS minimum goals as detailed below:

Of the total amount the Service Provider plans to subcontract for this contract as a minimum goal (see Section J. Attachment 13):

- 41% to small business
- 5% to women owned small business

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- 5% to small disadvantaged business
- 3% to Hub zone small business concerns
- 3% Service disabled veteran-owned small business concerns
- 1% NISH organization

In order to meet the minimum standard, the offeror must also:

1. Identify the names and addresses of the subcontractor firms proposed, the specific supplies and/or services to be subcontracted to each and the dollar amount for each category for each period of the contract.
2. Comply with the requirements of FAR 52.219-8, 52.219-9, 52.219-23, 52.219-24 and 52.219-25. See Section I and Section J.
3. Present a realistic approach to meeting their proposed goals.

#### **Sub-Factor 5 Element 2. Mentor-Protégé Program Participation**

The extent of the offeror's participation in the Agency's Mentor-Protégé Program as a mentor firm and Small Disadvantaged Participation Program will be evaluated under this factor. Favorable consideration will be afforded offeror's with an established/approved Treasury Mentor-Protégé Program.

#### **Sub-Factor 5 Element 3. Small and Small Disadvantaged Participation Past Performance**

The Offeror's 2003 SF 294 and SF 295 subcontract reports will be reviewed to establish the offeror's historical success at meeting or exceeding the agency small business goals.

### **Factor 3 Staffing**

**Sub-Factor 1: Staffing Plan** - The Staffing Plan will be evaluated based on the extent to which the offeror demonstrates sound business practices in response to the requirements in Sections C and L. The evaluation will include assessment of the offeror's organizational structure, proposed on-site staffing, position description and qualifications, work schedules, total staffing including sub-service provider resources and retention practices.

**Sub-Factor 2: Personnel Requirements** - The personnel evaluation will be based on the extent to which the offeror clearly demonstrates an ability to staff the non-key personnel with personnel who meet, or exceed, the certification and experience required by the trade/discipline qualifications in Section C.3.5 both initially and over the life of the contract

Evaluation of Key Personnel as identified in Section H, provision H.3, will be based on the extent to which position descriptions and qualifications proposed by the offeror clearly meet, or exceed, the certification and experience required by the trade/discipline qualifications in Sections C.3.5.1 and C.3.5.2.

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All non-key personnel must meet minimum personnel qualifications. Also the plan must describe the Service Provider's proposed recruiting/hiring program for staffing the contract with qualified personnel over the life of the contract, with examples of previous successful recruiting/staffing efforts on contract(s) of similar magnitude. The recruitment/hiring practices will clearly identify the offeror procedures to assure it can provide both key and non-key personnel will who meet, or exceed, the certification and experience required by Section C.3.5 both initially and over the life of the contract.

**Sub-Factor 3. Personnel Recruitment** - This section will be evaluated based on the extent to which the offeror demonstrates a capability to recruit and the employment methods the offeror will use to staff its organization, initially and during the contract period.

### M.7. Technical Adjectival and Summary Adjectival Rating

Listed are the Adjectival Ratings and Summary Adjectival Ratings that shall be assigned to rate all factors and sub factors (except present and past performance). During the evaluation of each proposal, the Government shall assign each factor and sub factor a rating in compliance with solicitation requirements ( a technical evaluation) and a risk assessment rating, A narrative evaluation reflecting the factor's strengths, weaknesses, and deficiencies will be prepared.

Technical Ratings:

| Rating         | Definition  |
|----------------|---|
| Exceptional    | Indicates the company's performance or situation within the area of evaluation clearly EXCEEDS ALL contractual requirements in a way beneficial to the Government.  |
| Very Good      | Indicates the company's performance or situation within the area of evaluation EXCEEDS SOME contractual requirements while MEETING ALL OTHER contractual requirements.  |
| Satisfactory   | Indicates the company's performance or situation within the area of evaluation MEETS ALL contractual requirements.  |
| Unsatisfactory | Indicates the company's performance or situation within the area of evaluation DOES NOT MEET ONE OR MORE CRITICAL contractual requirements. May require major Government resources to ensure achievement of contractual requirements. |

Risk Assessment Factor:

Proposal risk identifies and evaluates the risks, weaknesses, and strengths of the Offeror's proposed approach for each of the factors and sub factors. Risk will be evaluated based on the deemed risk inherent in the offeror's proposal given close consideration to their technical proposal evaluations. Risk assessment includes any potential for disruption of schedule, increased cost, degradation of performance, the need for increased Government oversight, as well as the likelihood of unsuccessful performance. Also, the Government will evaluate how the Offeror proposes to mitigate any identified risk.

Risk assessment may have a negative impact on the technical evaluation. It reflects the degree to which there is a concern that the cost/price proposal is too low or too high and not consistent with the technical proposal, and that the Service Provider cannot provide quality services/personnel over the life of the contract at the price proposed. Unrealistically low staffing which leads to such a concern may result in a reduced technical rating (such as determining that an otherwise acceptable "Contingency Planning" section is "Marginal" or "Unacceptable"). Upon completion of the overall Summary Adjectival Rating of each factor, a Proposal Risk Assessment shall be

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assigned as an overall assessment of each factor. Below are the Risk Adjectives to be used to assess the risk for each technical factor and sub factor:

| Rating   | Definition   |
|----------|--|
| High     | Likely to cause <b>significant disruption</b> of schedule, increased cost, or degradation of performance. Risk may be unacceptable even with special contractor emphasis and close Government monitoring.              |
| Moderate | Can potentially cause <b>some disruption</b> of schedule, increased costs, or degradation of performance. Special contractor emphasis and close Government monitoring will probably be able to overcome difficulties.  |
| Low      | Has <b>little potential to cause disruption</b> of schedule, increased costs, or degradation of performance. Normal contractor effort and normal Government monitoring will probably be able to overcome difficulties. |

**M.8. EVALUATION PROCEDURES FOR THE FACTOR OF PRICE**

**EVALUATION PROCEDURES FOR THE FACTOR OF PRICE  
(THE MEO WILL SUBMIT THEIR COST ESTIMATE USING COMPARE)**

The Government intends to evaluate the factor of price through a multi-step process. The Government shall perform a price analysis and a cost realism evaluation of the bid and tender prices for the FFP basic services CLINs in accordance with FAR Part 15.

- Cost Realism. The proposed price may be evaluated to determine if specific elements of the proposed price are realistic for the work to be performed, reflects a clear understanding of the requirements, and is consistent with the unique methods of performance and materials described in the offeror's technical proposal.
- Price Analysis. The cost or price evaluation of an offeror's price will be conducted in accordance with FAR 15.305-(a)(1). Reasonableness of an offeror's price may be evaluated through price and/or cost analysis techniques as described in FAR 15.404-1.

The cost estimates for all costs to administer the estimated IDIQ work will be evaluated by individual cost element and applied profit for cost reasonableness. Moreover, the costs associated with the administration of the IDIQ work for the MEO must be captured in its COMPARE Line 1--Personnel Cost.

The purpose of price evaluation is to determine the validity, realism, and adequacy of an offeror's proposed price in relation to the solicitation and the rest of the offeror's proposal, and to provide an assessment of the overall reasonableness of the proposed price. The evaluated price for both the private sector contractors and the MEO will consist of the Firm Fixed Price (FFP) for basic services plus the administrative cost for the maximum IDIQ dollars specified in the solicitation. The Government shall evaluate the total price for all performance periods inclusive of the phase-in period. It should be noted that the evaluation of options will not obligate the Government to exercise such options. The Government may award to other than the lowest priced offeror or other than the highest technically rated offer.

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**M.9. AWARD WITHOUT DISCUSSION**

Although this is a negotiated solicitation, contract award may be made without written or oral discussion after receipt of offers if the acceptance of the most favorable initial technical proposal (without discussion) would result in the overall best value to the Government at a fair and reasonable price.

In addition, the Government reserves the right, without holding discussions, to exclude an offeror if its proposal, as submitted, does not provide the confidence the Government needs based on the offeror's proposal evaluation and performance record, and extreme doubt exists that the offeror can successfully perform and meet the requirements within the proposed price.

Therefore, all offerors should submit fully responsive proposals setting forth their most favorable and advantageous terms and offer to the Government.



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